

ID: CCA_2014041614151266

Third Party Communication: None

UILC: 6231.07-00

Date of Communication: Not Applicable

Number: **201418052**

Release Date: 5/2/2014

From: [REDACTED]

Sent: Wednesday, April 16, 2014 2:15:12 PM

To: [REDACTED]

Cc: [REDACTED]

Bcc:

Subject: RE: Request for Assistance --

We agree with your memorandum. We have a few comments:

(1) In the first full paragraph on the second page, the memo repeats the phrase "pursuant to the" twice. Delete the repetitive phrase.

(2) The Form 1065 should not be referred to as a "Partnership tax return." The 1065 is not a tax return - it is an information return. Thus, it should be referred to as the Form 1065 or the partnership return.

(3) We assume that the LLC partner is a pass-thru entity. Under section 7701 check-the-box regulations, however, it could have elected C corp status. The Form K-1 on the partnership return probably characterizes the partner as a partnership (Box I or J) and you can rely on that form to conclude that the entity is a pass-thru entity. Please edit your memorandum to clarify that the LLC is actually a pass-thru entity.

If you have any questions, please let me know.

Thanks,